



**Director of
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IRAN

Ayatollah Khomeini appears sympathetic to the demands of militants in the US Embassy that Charge Laingen be turned over to them for questioning. [redacted]

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The Spanish Ambassador, the dean of the diplomatic corps in Tehran, met with Foreign Minister Ghotbzadeh Sunday night to deliver a US demarche against turning over Laingen to the militants. [redacted]

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In an apparent effort to increase pressure on the Iranian Government to surrender Laingen, the militants yesterday accused Foreign Ministry officials of allowing him to maintain contact with Washington and thus continue his "spying activities." They assert that such contacts are being made on equipment belonging to the Foreign Ministry and bought with public funds. [redacted]

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Regional Violence

The Governor General of Kordestan Province resigned yesterday after the Khomeini government refused to honor its pledge to remove Revolutionary Guards from Sanandaj, the provincial capital. According to press reports, the Governor General has thrown his support to the rebels. In Tabriz, rioting and demonstrations continued, but Bandar-e Lengeh was reported relatively calm now that Revolutionary Council member Yazdi has arrived in the city to negotiate with the local council. [redacted]

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Clashes between the insurgents and Revolutionary Guards in Baluchestan va Sistan Province resulted in at least eight deaths yesterday--the first major resurgence in violence in that province since late December. [redacted]

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BRIEFS AND COMMENTS

INDIA: Gandhi's Victory

Indira Gandhi's electoral victory is likely to restore strong leadership in New Delhi. []

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Gandhi's landslide ends a period of political instability that led last summer to the collapse of the weak Janata government. Gandhi is unlikely to reestablish the authoritarian measures of the 1975 to 1977 Emergency period that resulted in her defeat in 1977, but her domestic and international policies are expected to follow the general pattern established during her previous tenure. She will support a strong central government role in a mixed economy, blending policies that favor her constituents, who range from big business to untouchables. The government will be very much her own.

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The most immediate international issue confronting Gandhi is the Soviet invasion of Afghanistan. Her bias toward the USSR assures the Soviets of a sympathetic ear in New Delhi; her new government will probably view the Soviet action as less of a threat to India than the US decision to renew arms sales to Pakistan. Relations with the US are likely to be cool but correct. []

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The most pressing problems facing Gandhi are domestic: the effects of last year's drought, rising inflation, and slumping industrial production. She probably will be able to cope with them for the time being, but a repetition of the drought, combined with continued high energy costs, would neutralize any positive measures she may take. []

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We expect Gandhi to call for early state assembly elections, as the Janata Party did in 1977, to extend her party's control to most state legislatures. []

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CUBA: Internal Crackdown

Havana, reacting to popular discontent over continued consumer austerity and economic difficulties, is imposing more repressive measures rather than shifting its economic priorities. Nevertheless, no serious threat to the regime's stability is apparent.

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Until mid-1977 public dissatisfaction over food shortages, inadequate public services, and lack of housing had been expressed through such passive means as absenteeism and low productivity. The trend since then has been toward more open displays of frustration--crime, vandalism, illegal departures, and even some isolated antigovernment activity and sabotage.

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By late 1979, Raul Castro--the regime's ideological hardliner--was demanding the suppression of counterrevolutionaries. Last month, security forces instituted an unusual series of identification checks and mass arrests in the Havana area. The operation, along with the appointment of hardliner Ramiro Valdes as Minister of Interior--underscored the regime's determination to crack down.

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The decision to use harsh tactics results from Havana's recognition that no short-term solution to its socioeconomic dilemma exists. Imports of consumer goods cannot be increased without a cutback in capital goods purchases--a move that would postpone a long-term solution to Cuba's problems. Furthermore, the regime can no longer rely on popular memories of harder times in the pre-Castro era; about 47 percent of the population was born after Castro took power.

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Reducing Cuban military forces in Africa would bring little direct economic relief and--in Castro's view--would carry unacceptable political costs. Consequently, Castro is unlikely to remove this major obstacle to normalization with Washington, although access to the US market might lessen some economic problems. Over the longer term, Castro will seek additional increases in aid from the Soviets. He also may now seek further aid from Iraq, Libya, and other radical states in exchange for greater Cuban support for their international policies.

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CUBA-UN: Security Council Membership Issue

Cuba's withdrawal in favor of Mexico for a seat on the UN Security Council was in part influenced by the Soviet invasion of Afghanistan. [redacted]

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The invasion left President Castro's regime open to increasing Third World criticism for its close relations with Moscow. Cuba already had angered a number of delegations by its refusal to compromise after weeks of balloting in its contest with Colombia, and the Mexican alternative gave the Castro government a graceful exit. Moreover, Havana believes that it will be more successful next year when Jamaica vacates the other regional seat. [redacted]

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The difficulties at the UN caused by the Soviet intervention portend more fundamental problems for Castro in his role as head of the Nonaligned Movement. He is facing conflicting pressures from Moscow on the one hand and a number of nonaligned states on the other. Because of the Soviets' determination to gain the backing of Cuba's allies and the Cuban dependence on Moscow for economic, military, and political support, Castro will have difficulty adopting even a mildly independent position. [redacted]

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Mexico, which was elected overwhelmingly on the 155th ballot, had consistently supported Cuba's candidacy. As a member of the Security Council, it is likely to act independently, although generally in sympathy with the Third World. [redacted]

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YUGOSLAVIA: Tito's Illness

President Tito's current ailment--circulatory problems in the legs--does not appear life-threatening, but we cannot rule out the danger of sudden complications from thrombosis in the legs. [redacted]

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In an effort to dispel rumors in Belgrade that Tito is critically ill, the Yugoslav press is carrying photos of him walking, and the press report announcing his release from the hospital stressed that he will continue his work schedule while getting additional care. The media also underscored that Tito was the host of a luncheon for the US and Soviet cardiovascular specialists who examined him. [redacted]

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Tito is 87, however, and even a minor illness could lead to serious complications. He has a history of circulatory problems. [redacted]

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Tito's health problems have almost certainly heightened the behind-the-scenes jockeying for position in succession politics. If Tito should die soon or be incapacitated, Stevan Doronjski, the head of the party Presidium, will assume many of Tito's duties in the party on an interim basis, and Vice President of the State Presidency Lazar Kolisevski would assume Tito's state responsibilities. Political infighting to arrange for a permanent successor is likely to be intense, but the Yugoslavs are well aware of the need to present a strong, unified front when Tito goes. The implications for the post-Tito period of Moscow's direct military intervention in Afghanistan have not been lost on Belgrade. [redacted]

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USSR - NORTH YEMEN: Military Aid

Soviet arms being provided under the agreement reached in mid-1979 continue to arrive in North Yemen.

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Soviet arms carriers delivered 35 tanks, some artillery pieces, and spare parts last month.

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Moscow also hopes that its improved relationship with Sana will undermine US efforts to sustain its own military programs established in North Yemen last year, will make the government more responsive to Soviet positions on Middle East issues, and will diminish Saudi Arabian influence in North Yemen. Moreover, the Soviets may anticipate that their improved position in Sana will ease the way for the eventual union of North and South Yemen under Aden's aegis.

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Ayatollah Shariat-Madari

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SPECIAL ANALYSIS

IRAN: Ayatollah Shariat-Madari

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Ayatollah Shariat-Madari has emerged in the last two months as the only national figure capable of attracting sufficient support to challenge Ayatollah Khomeini. The violence in Tabriz in the last few days indicates that Shariat-Madari's followers are becoming increasingly eager to move against Khomeini, but Shariat-Madari himself has consistently avoided an open confrontation.

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Shariat-Madari has focused his opposition to Khomeini on the articles of the new constitution giving ultimate power in Iran to the Shia clergy or *ulema*. Shariat-Madari believes that the *ulema* should have veto power over the government's legislation and actions, but he recognizes that the *ulema* are unprepared by training to govern a modern state. He would prefer that the *ulema* be consulted by the secular politicians, but not exercise power directly.

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Shariat-Madari has long been concerned that Khomeini's extreme brand of Islamic revolution will ultimately collapse and lead to a Soviet-supported Communist takeover in Iran. As early as last January, Shariat-Madari expressed concern that the Soviets were becoming more active in his native Azarbayjan and that the Tudeh Party was stepping up its activities. Moreover, Shariat-Madari has been a more vocal and persistent critic of Soviet activities in Afghanistan than Khomeini.

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The 81-year-old Azarbayjani cleric has commented publicly only once on the hostage issue. In an interview last November, he was quoted as being critical of the Embassy seizure, but he subsequently claimed the press distorted his remarks. Since then, Shariat-Madari has taken a very low profile on the hostage issue and has avoided challenging the anti-Americanism sweeping Iran. Nonetheless, he has long favored good relations between

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the US and Iran, and he probably is disturbed with Khomeini's drive to purge the country of all US influence. [redacted]

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Strengths and Weaknesses

Shariat-Madari is widely regarded as the most senior cleric in the country in purely theological terms. He is extremely knowledgeable of Islamic law and has spent years studying in Iran's various theological institutions. [redacted]

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In part because of his Azarbayjani background, the Ayatollah has increasingly been seen in recent months as the symbol of the rights of Iran's various minority groups. [redacted] he also has some support in the military, which has many Azarbayjani officers. Iranian moderates as well have come to view Shariat-Madari as an acceptable symbol of clerical opposition to Khomeini. [redacted]

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Despite his widespread backing, Shariat-Madari has consistently backed away from directly challenging Khomeini. During the clashes in Tabriz in December and this month, he has called for calm and refused to give his followers a free hand. Many observers believe he is basically a weak personality. [redacted]

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[redacted] Shariat-Madari has long been intimidated by Khomeini's mass support. Moreover, he is well aware that his close contacts in the past with the Shah's regime make him vulnerable. [redacted]

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Outlook

Shariat-Madari probably is incapable of leading an opposition movement to unseat Khomeini. His Azarbayjani background limits his appeal with ethnic Persians, and his cautious personality undermines his ability to confront his rival. Shariat-Madari could serve as a rallying point for the opposition, however, as well as a symbol of clerical unhappiness with Khomeini, who cannot move against him directly for fear of losing all control over Azarbayjan and splitting the *ulema's* ranks. [redacted]

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